



Office Memorandum

Date: December 17, 2014
To: Agency Payroll, HR and Accounting Staff
From: Mary Muellner, Director
Statewide Payroll Services
Subject: FICA/Medicare Rates for 2015 and Supplemental Tax Rates

FICA/Medicare Rates

The amounts below indicate the maximum earnings subject to FICA/Medicare tax and the tax rates for the years 2014 and 2015.

FICA/Medicare Rate	Calendar Year 2014	Calendar Year 2015
Maximum annual earnings subject to FICA	\$117,000	\$118,500
Maximum annual earnings subject to Medicare	Unlimited	Unlimited
FICA rate (employee only)	6.2%	6.2%
FICA rate (employer only)	6.2%	6.2%
Medicare rate (employee only): Employee Contribution Rate on all earnings subject to Medicare	1.45%	1.45%
Additional Employee Contribution Rate when annual earnings subject to Medicare is \$200,000 and above	0.9%	0.9%
Medicare rate (employer only)	1.45%	1.45%
Maximum annual Medicare tax (employee and employer)	Unlimited	Unlimited

Employees who reached the yearly FICA maximum tax for 2014 will see a change in their net pay beginning with the first check in calendar year 2015 on 1/9/2015.

Supplemental Tax Rates

The federal supplemental rate remains unchanged at 25%. The Minnesota supplemental tax rate will remain unchanged at 6.25%.

Agency Payroll, HR and Accounting staff should contact Jennifer Goossen at 651.201.8072 or jennifer.goossen@state.mn.us if there are questions.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF.